



Greens Restoration Project

Wilmington Municipal Golf Course

Presentation Outline

- Cost Estimate/operations/
projected revenue loss
- Revenue sources and
considerations
- Project recommendation



Cost Estimate

- Architect's cost opinion
with 10% contingency \$1,015,619
- Projected lost revenue
during construction \$700,000

Municipal Golf Course Budget

- Projected operational expenditures FY 14 \$1,345,947
- Projected operational expenditures FY 15 \$1,383,481
- Projected operational expenditures FY 16 \$1,619,963

Project Funding Considerations

- General Fund loan – *repayment of loan: significant greens fee rate increase*
- Park Bond balance loan - *repayment of loan: significant greens fee rate increase*
- General Fund grant – *Lessens impact on golf course budget/rate increase; decrease in general fund balance*
- Park Bond balance grant – *lessens impact on golf course budget/rate increase; impact on park projects*
- Combination of loans/grants or rate increase

Project Revenue Sources

Golf capital balances	\$205,437
Unallocated park projects balance	\$1,160,661
- Identified project needs:	
- North Waterfront Park concept design	
- Hardee Field improvements	
- Inland Greens construction	

Recommendations

Recommended construction funding

- Golf capital balances \$205,437
- Park bond capital balances \$810,182
 - ✓ *Greens project can begin this year*
 - ✓ *No debt incurred by Municipal Golf Course Enterprise Fund*
 - ✓ *Around \$250,000 in alternative funding necessary to complete all parks projects*

Recommendations

In order to offset revenue loss during construction and increased expenditures resulting from the project, institute rate increase for greens fees

- *Alternative A: 20% in FY 2015, 15% in FY 2016*
- *Alternative B: 35% in FY 2015*

Green Rates

Type	Current Rate	20% Increase	35% Increase
City Resident Weekday	\$17.00/18 holes	\$20.40	\$22.95
City Resident Weekday	\$12.00/9 holes	\$14.40	\$19.80
Senior City Resident with Discount card	\$10.00/18 holes	\$12.00	\$13.50
City Resident Weekend	\$20.00/18 holes	\$24.00	\$27.00

Recommendations

20% rate increase in FY 2015 and
15% in FY 2016

- ✓ *Cushions impact*
- ✓ *No new rate increases proposed until FY 2020*
- ✓ *Maintains the required minimum for Muni fund balance*

Greens Project Suggested Timeline

- Bid Advertisement: February 19, 2014
- Bid Opening: March 13, 2014
- Award Contract: April 8, 2014
- Notice to Proceed: April 22, 2014
- Completion: End of September 2014

Questions